

Chairperson's Report

Hong Kong Public Key Infrastructure Forum Limited

at 2nd Annual General Meeting on 3 June 2010

Dear Fellow Members,

Thank you very much for your continuing support over the past 12 months.

As reported in my update circulated by e-mail to the entire membership last December, we have continued to play a role in the activities of the **Asia PKI Consortium**, of which our Forum is a principal member. We hosted that Consortium's Executive Group meeting at the Shatin Hyatt Regency Hotel in Hong Kong last June and were represented at its General Assembly and Steering Committee held in Taipei last November. And primarily working through E-Mice Solutions (HK) Limited and PricewaterhouseCoopers, our Forum remains involved with the Consortium's initiative to establish – in conjunction with the China PKI Consortium, the PRC's Ministry of Industry and Information Technology, Tsinghua University as well as the Chinese Taipei PKI and e-Authentication Consortium (our comparable industry organization in Taiwan) – a new Chinese national standard for certification authorities.

Over the past year, our Forum's own initiatives – conducted on a voluntary basis through the efforts of certain of our core members – can be grouped into several broad categories.

In the **financial services sector**, our Forum formed an e-Banking Security Sub-Committee to explore how digital certificates can be used to bolster the security of such sensitive online communications following a July 2009 HK Monetary Authority (“HKMA”) press release entitled “Strengthening Security Controls for Internet Banking Services”. Since then, we together with the City University of HK and the State Key Laboratory of Information Security (“SKLOIS”) (a Government research centre under the auspices of the PRC's Chinese Academy of Sciences) have proposed a research project entitled "Infrastructure for Secure Internet-based Transactions across Trusted Domains" (構建誠信網上領域研發在線安全保密交易) to, and have together applied for funding totaling some HK\$7.8 million from, the HKSAR Government's Innovation and Technology Support Programme. And following last month's HKMA press release entitled “Suspected ATM Fraud Cases”, we are working on a proposal to illustrate how digital certificates can be used to strengthen security in ATM-based transactions.

In the **healthcare sector**, we met with the HKSAR Government's eHealth Record Office to promote the idea of using digital certificates to protect electronic patient records, and have since been invited to become an advisor to a project – being proposed by the eHealth Consortium in conjunction with HK Science & Technology parks Corporation to establish a permanent exhibit to showcase to local residents how digitalization/automation can improve the delivery of healthcare services in HK – should it receive funding from the HKSAR Government.

In the **education sector**, our Forum has continued to work – through the efforts of volunteers from our corporate membership base and sponsorship of digital certificate subscription fees by E-Mice – on a project entitled “Wider Usage of Digital Certificate and Adoption of PKI Technology in the Community” that is supported by a HK\$340,000 cash grant from the Office of the Government Chief Information Officer (“OGCIO”) to pay for supporting educational/training materials. Since its inception late October, over 2,000 students, teachers and other members of the public have attended sessions given under this project. And more recently, E-Mice helped us soft-launch a web-site at <http://www.hkic.hk> to promote the idea of enabling members of the public to store and protect different types of their sensitive/confidential personal data using digital certificates. Branded the “CERTizen” service, this portal currently facilitates electronic record-keeping and digital certifications relating to students taking certain extra-curricular courses or activities.

In the **Government sector**, we (via E-Mice) were represented at (a) the inaugural “Chinese Government Portal Development Forum” held on Hainan Island last December at which one of the topics discussed was the use of Chinese characters in domain names, and (b) a one-day experts' group seminar organized by SKLOIS (see above) on “Digital Certificate Trust Assurance and Strategies” held in Beijing in January. More recently, the HKSAR Government entered into a formal agreement with GS1 Limited (a fellow member who is represented on our Steering Committee) for the latter to organize “Hong Kong Smart City +”, a series of events to take place on 21 October 2010 within the Urban Best Practices Area of the **2010 Shanghai World Exposition**. Our Forum worked closely with GS1 on the proposal for HK Smart City + and hope to be able to involve as many of our members as possible in the events being organized that day to demonstrate and publicize HK's diverse use of RFID (“radio frequency identification”) or digital certificate-enabled smart HKID card technologies.

As our Forum becomes more active and the number as well as scope of various initiatives builds, I have recommended to our Steering Committee that certain administrative and basic accounting functions being undertaken on a pro bono basis by E-Mice be handed over to our current professional Company Secretary, Pius

Consulting Limited. I am of the opinion that such a shift is appropriate because (a) more cash is expected to pass through the Forum's bank account given some of the projects mentioned above, (b) our cash balances as at the end of December exceeded HK\$450,000 whilst our single largest recurring expense is our annual membership fee (US\$10,000) of the Asia PKI Consortium, and (c) the incremental amount payable to Pius Consulting for undertaking such additional tasks is expected to average in the region of HK\$1,000 per month.

Given our cash balance and anticipated cash outlays over the next 12 months, members of the Steering Committee have agreed that (a) we continue to waive the 2010 annual membership fee (January to December 2010) for members in good standing as at 1 January 2010, but (b) as in the past, still continue to require new joining members to pay their first year's dues. The attached schedule sets out the proposed fee structure for new members joining this year.

Lastly, as at the close of the nomination period for membership of the Steering Committee of the Forum, multiple nominations were received in support of a total of 8 ordinary members. As this exceeds the minimum requirement of 5 members but is less than the maximum of 16, we look forward to the successful election of nominees of all such members to form the new the Steering Committee until our next AGM.

For and on behalf of
E-Mice Solutions (HK) Limited

Winston Leong
As Chairperson of the Steering Committee of
Hong Kong Public Key Infrastructure Forum Limited

11 May 2010

Proposed membership fee for new members joining in the year 2010

Ordinary Member	HKD 8,000
Ordinary Member (non-profit making organisation/academic institution) (25% of normal dues)	HKD 2,000
Associate Member	HKD 4,000
Associate Member (non-profit making organisation / academic institution) (25% of normal dues)	HKD 1,000

Membership period for newly join members.

1. for members joining on or before 30 June 2010, the membership period will end on 31 December 2010.
2. for members joining after 30 June 2010, the membership period will end on 30 June 2011.